

Approved: April 9, 1998
Date

MINUTES OF THE HOUSE TOURISM COMMITTEE.

The meeting was called to order by Chairperson Barbara P. Allen at 1:00 p.m. on April 1, 1998 in Room 522-S-of the Capitol.

All members were present except: Representative Larkin - excused
Representative Peterson - excused
Representative Welshimer - excused

Committee staff present: Tom Severn, Legislative Research Department
Renaë Jefferies, Revisor of Statutes
Lynne Holt, Legislative Research Department
Bob Nugent, Revisor of Statutes
Nancy Kirkwood, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Chairperson Allen called the meeting to order. She informed the committee it would be working **Sub for S 675 - projects of statewide and local importance, K DFA revenue bonds and other provisions.**

The written comments of Larry Winn, Development & Real Estate Attorney, Polsinelli, White, Vardeman & Shalton, given on March 31, 1998 to the committee were received (**Attachment 1**).

The committee members began discussion on **Sub for S 675.**

Representative Beggs moved the committee pass **Sub for S 675** out favorably. Representative Benlon seconded the motion. The motion carried.

Chairperson Allen adjourned the meeting at 1:50 p.m.

SPECIAL COMMITTEE ON TOURISM GUEST LIST

DATE: Wednesday April 1, 1998

| NAME | REPRESENTING |
|-----------------|-------------------------|
| SKIP PALMER | WWOZ |
| Rebecca Floyd | KDFB |
| Michelle Miller | Johnson County |
| Whitney Jamon | WYCO/KC, KS |
| DAVID Wysony | Johnson County Chair |
| Garry L. Haller | Do Co Park & Rec. Dist. |
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POLSINELLI, WHITE, VARDEMAN & SHALTON

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April 1, 1998

BY TELECOPY 785/368-6365State Representative Barbara Allen
State House
143 North
Topeka, KS 66612**Re: Senate Bill 675**

Dear Representative Allen:

I apologize for not having signed in as a conferee at the Tourism Committee on Tuesday, but had not anticipated speaking. I felt it was necessary that I make some remarks in view of Senator Steineger's comments. I certainly respect Chris' right to advocate for his constituency, but in doing so I am concerned that perhaps he confused the committee as to the legislation itself. We represent Oz Entertainment Company ("O.E.C.") specifically with reference to its land use, real estate and zoning efforts. One of our early responsibilities was to determine for O.E.C. where in the metropolitan Kansas City area there existed up to 3,500 acres of developable property with appropriate highway access and other related demographics, utilities, etc. We identified two sites on the Kansas side of the metroplex, i.e. Wyandotte County and then later on Sunflower. Those are the only two Kansas sites that we were able to identify. All other sites were on the Missouri side of the state line. The purpose of SB 675 very simply is to make the same economic development tools available in Wyandotte County similarly available in Johnson County at Sunflower. No one gains or no one loses in the process, but both sites hopefully become viable from the perspective of the lenders, mortgage bankers and investment bankers that will be determining whether or not to fund this project with nearly half-a-billion dollars of various kinds of financing mechanisms. Senator Steineger's amendment to 675 was an excellent idea and it certainly has the prospect of solving some land planning problems that have arisen in Wyandotte County as a result of the placement of the ISC racetrack. However, there are potential complications within the expanded Wyandotte County area just as there are complications within any attempt to develop the Sunflower Army Ammunition Plant. There are three school districts in Wyandotte County that in effect under K.S.A. 12-1774 would have the absolute veto power over the creation of a redevelopment district. There is another city involved (Bonner Springs) which has never even looked at the project at this point.

House Tourism
04-01-98
Attachment 1

POL SINELLI, WHITE, VARDEMAN & SHALTON

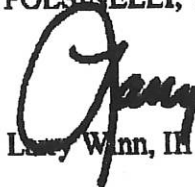
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The idea of using part of Wyandotte County Park is fraught with potential political difficulty which is magnified due to the fact that some portions of the park were acquired with federal funds. I really wonder if I were a member of one of a taxing subdivision's governing boards in Wyandotte County how much of western Wyandotte County I would want to take off the tax rolls. Speedway effectively removes 1,500 acres and Oz would effectively remove up to 3,500 additional acres. If you will look at the map that both Skip and Chris presented to you, you will note that pretty much accounts for all of western Wyandotte County. Surely someone will raise the issue as to where is the rest of the tax base going to come from. That is not to say that these types of political considerations in Wyandotte County are any more difficult to work through than dealing with the federal government at Sunflower. Both locations are fraught with potential complications and difficulties, but such is the nature of a project of the magnitude of the Land of Oz. From the perspective of Oz, all we want is to be able to do is convince our lenders and investors that we have two sites identified that can clearly work if all goes well. I think it would be inherently unwise to limit the Kansas site development opportunities to only one location because purely and simply if that one location for whatever reason does not work, we have lost the opportunity to capture the project on the Kansas side of the state line. I sincerely hope that the committee can set aside anyone's parochial interest and focus on the benefit of this project to the State of Kansas, rather than to anyone of its political subdivisions.

Very truly yours,

POL SINELLI, WHITE, VARDEMAN & SHALTON


Larry Winn, III

LW/jt

Note: Please copy your fellow committee members.

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LWNN 112089